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Enclosed as discussed:  
- White Paper 4 pgs.  
- Issue Letter 2 pgs.

## SEEING THE FOREST FOR THE TREES

### A White Paper on the Factors Behind CVP Water Shortages

#### BACKGROUND

The past three years have brought significant changes to the manner in which the Central Valley Project is operated. As we work on implementing the CVP Improvement Act, the December 15th Bay/Delta Accord, and the Endangered Species Act, we need to step back and look at the bigger picture.

The fundamental reality is that the CVP is today primarily a project for the benefit of fish and waterfowl. We have been told (and reality proved this out) that any deliveries to Project contractors should be considered incidental to the environmental obligations. This is certainly clear on the west side of both the Sacramento and San Joaquin Valleys.

Just look at our circumstance in early March 1996, when we have the best water conditions in a decade. Carryover storage from 1995 was strong and precipitation has been over 100% of normal. Some reservoirs are full, others have encroached into the flood reservation.

At the same time, customers in significant portions of the CVP are being told to expect no more than a 60% supply. That's almost a 50% cut in deliveries at the critical point when farmers are planting their crops and trying to get financing. Obviously, the significance of the Project obligations for the environment grows exponentially in below normal and dry years.

The purpose of this paper is to remind the reader of the extraordinary obligations now burdening the CVP. Furthermore, it should help in understanding why the following questions are so significant to the CVP community:

1. While there is broad agreement that environmental issues need to be resolved, is the current distribution of the burden, of the responsibility to meet the goal, equitable?
2. Is there a fundamental imbalance between our economic and environmental goals, priorities and actions?
3. Are we making every effort to maximize environmental improvement (solving problems) while also making every effort to minimize the adverse human economic and social impacts?

3/7/96 DRAFT, t:\cvpia.wpd

## New CVP Water Supply Commitments: (Commitments made since 1990)

### CVPIA

800,000 a/f Environmental Water  
New Level 2 Refuge Supplies, 215,000 a/f  
Trinity River

### ESA

Winter Run  
Restricted Pumping  
Increased Outflow  
Temperature Control  
Carryover Storage

### Bay/Delta

Restricted Pumping  
Increased Outflow

### Delta Smelt

Restricted Pumping  
Increased Outflow

## Other Pending CVP Water Supply Requests / Demands:

- Sacramento River
  - Area of Origin
  - "Paper Water" transfers
  - El Dorado I. D.
- Stanislaus River
  - Stockton East, et al
  - S J River Water Quality
- Folsom Reoperations
- Urban Reliability
- Conservative CVP Operations
  - COA, (Loss of Striped Bass Repayment Water from State)
  - Carryover Storage
- EBMUD
- Pajaro Valley WD
- Fazio Water
  - San Juan Suburban
  - Folsom
- Other ESA Listing

## Additional CVP Commitments / Purchase Water:

- Doubling of Fish
- Refuge Supply, Level 4

## Post 1990 CVP Operations / Allocations:

- On behalf of all its contracting districts, the CVP has taken on the responsibility for Endangered Species, Bay/Delta issues, and CVPIA issues.
- The CVP can not meet its firm contractual commitments & its new "post 90" commitments in all but unusually wet years - resulting in shortages.
- The CVP generally allocates shortages based on water contract shortage provisions. (There are exceptions: CVPIA 800,000 a/f Friant exemption; Administrative M&I 25% impact cap; Administrative Friant ESA & Bay/Delta exclusion; etc.)

This results in implementing all of the new CVP commitments from 2.3 million a/f of Ag service contracts. This is neither equitable nor sustainable.

## CVP Firm Contracts:

Area	Ag Service	M&I (25% cap)	Refuge Level 2 (25% cap)	Sac River/ Exchange (Shasta Index)
Sac River Base Supply				
Sac River Project				
Tehema - Colusa				
Corning				
City of Sacramento				
Sac River Refuges				
Contra Costa W. D.				
American River				
EBMUD				
SMUD				
PCWA				
Central San Joaquin				
San Luis Canal				
Delta-Mendota Canal				
Mendota Pool				
San Felipe Division				
Cross Valley Canal				
Friant Class 1				
Friant Class 2				

*Include either contract numbers and/or "Buckets"  
Illustration here (illustrates how CVP impacts  
"settle" on 2.3 million a/f Ag Service Contracts)*

## **CONCLUSION**

The significance of the current environmental demands on the CVP cannot be understated. The potential of further demands on the system significantly reallocating Project supplies must also be examined when trying to see the forest of obligations in the front of the CVP.

If we are inclined to strive for equity and balance in our pursuit of environmental improvement, it seems we should spend a lot more energy in the following areas:

1. Using (and creating more) administrative flexibility in the execution of the environmental obligations so as to minimize the adverse water supply impacts.
2. Distributing broadly the responsibility and obligations to address our environmental objectives.
3. Expanding the overall supply of water in the CVP to assure that current inequitable adverse water supply impact will be reversed.